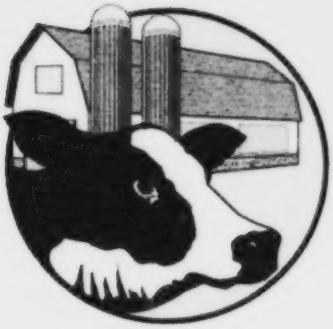
British Columbia Milk Marketing Board



Annual Report for the 2004/2005 Dairy Year

Sixteenth Annual Report July 31, 2005

B.C. Milk Marketing Board

2005 Annual General Meeting

Chairman	Blaine Gorrell
Vice-Chairman	Ben Cuthbert
Secretary-Treasurer	Ben Janzen
Board Member	Debbie Aarts
Board Member	Corny Klop
Milk Industry Advisory Committee Chairman	Gordon Souter
Transportation Advisory Committee Chairman	Corny Klop
Audit Committee Chairman	Morris Hanson
General Manager	Ken McCormack
Assistant General Manager	Jim Byrne
Controller	Robert Delage
Provincial Milk Manager	Vacant
Transportation Coordinator	Gary Broerken
Transportation Coordinator	Kelly Harris
Policy Analyst	Vacant
Communications Officer	Scott Miles
Finance Officer	Barbara Pacholko
Quota Officer	Jennifer Lavoie
Milk Pay Officer	Sandra Livingston
Receptionist	Lori Sharpe
Financial Institution	Bank of Montreal
Auditors	KPMG LLP Chilliwack
Vendor Auditors	KPMG LLP Chilliwack
Legal Counsel	Macaulay McColl

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British Columbia Milk Marketing Board
Sixteenth Annual General Meeting
Wednesday, November 23, 2005

Ramada Inn and Conference Centre
36035 North Parallel Road
Abbotsford, British Columbia

Agenda

Call to Order	2:00 P.M.
Reading of the Notice of Meeting	Blaine Gorrell
Approval of the Minutes of the Fifteenth AGM	Ben Janzen
Business Arising from the Minutes	Blaine Gorrell
Chairman's Statement	Blaine Gorrell
General Manager's Report	Ken McCormack
Report of the Audit Committee	Morris Hanson
Auditors' Report	KPMG
Financial Statements	Ben Janzen
Appointment of Auditor	Morris Hanson
Approval of Members' Remuneration	Morris Hanson
Review of Statistical Information	Blaine Gorrell
Report on Legal Issues	Blaine Gorrell
New Business	Blaine Gorrell
Adjournment	4:00 P.M.

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Chairman's Statement

Challenge and opportunity continued to be the operative words for the dairy industry in British Columbia this past dairy year. The members of the British Columbia Milk Marketing Board have worked hard to address all issues to the betterment of our industry. Although provincial issues such as the 2005 Transportation Plan and the B.C. Farm Industry Review Board's review of specialty production and marketing in the regulated marketing system occupied much of the Board's focus, emphasis on national and Western Milk Pool matters continued to demand greater attention as the year unfolded.

As the first receiver of milk in British Columbia, the Board recognized the need to identify and implement a more efficient and effective system for milk transportation. Following industry and government stakeholder consultation in which input was accepted and considered, and with the assistance of the Transportation Advisory Committee, the Board presented its 2005 Transportation Plan. The Plan called for a new system of hauling milk that included more clearly defined regional boundaries and provided transporters with the ability to build greater logistical efficiencies into their routes. Consistent with the Plan, and acting on the recommendation of producers, the Board determined that the most transparent, fair and equitable mechanism for selecting milk transporters under the new system was to use a tendering process. In the end, five transportation providers have been selected to haul milk in British Columbia. Although there is a recognized transition period between now and early 2006 when the new system is scheduled for complete implementation, the Board and its staff will work with new and existing transporters to make the transition as seamless as possible.

In January 2005, the Minister of Agriculture, Food and Fisheries released a policy framework based on the "Recommendations for Managing Specialty Agri-Food Products in B.C.'s Supply Managed System" prepared by George Leroux. Following a thorough consultation process with interested stakeholders, the Board submitted its "Response to Recommendations for Managing Specialty Products" on March 31, 2005. The Board then submitted its "Response to R. Bullock Information Request of April 18, 2005" on May 20, 2005. After the conclusion of the 2004/2005 dairy year, the British Columbia Farm Industry Review Board released its "Policy, Analysis, Principles and Directions" paper for specialty production and new entrant programs in British Columbia. The Board anticipates that its Consolidated Order will be amended before the end of 2005 to incorporate revised policies for specialty production and niche markets.

Attempts to address numerous issues with our provincial counterparts across Canada continued this past dairy year. The key issue for British Columbia in the Western Milk Pool remains the determination of Market Sharing Quota (MSQ) on a 10:90 basis that recognizes population growth among the signatory provinces. The Board continues to engage in discussions in an effort to achieve consensus. At the national level, the Canadian Milk Supply Management Committee met to address issues such as national MSQ, differences in industrial milk class pricing and milk classification as it relates to skim-off calculations.

Change is never easy, and developments in the British Columbia dairy industry during the 2004/2005 dairy year have resulted in four appeals addressed by the British Columbia Farm Industry Review Board. One appeal was filed by a transporter impacted by the Board's decision to change the milk transportation system. Two other appeals were submitted by producers that were concerned about conversion options for the Graduated Entry Program. The last appeal was filed by an association dissatisfied by the Board's decision not to implement a containment policy for freight charges. More information regarding these appeals can be found in the Annual Report.

On behalf of the Board Members and the entire dairy industry, I want to thank the Board's former Chairman, John Jansen, for his hard work and dedication. Mr. Jansen's efforts significantly contributed to the growth and profitability of the dairy industry and ensured that British Columbia had a strong and visible presence at regional, national and international forums.

The Board Members recognize that the support and advice of our partners have been critical to the success achieved during an extremely busy year. The British Columbia Dairy Council, the British Columbia Milk Producers Association and the regional dairy organizations deserve and have our appreciation. In addition, the recommendations of the Milk Industry Advisory Committee, the Transportation Advisory Committee and the Butterfat Working Group helped guide the Board's decisions on pricing and supply, transportation, and production matters respectively.

In conclusion, I would like to express appreciation to all producers, processors and transporters who have worked beside us to help turn industry challenges into opportunities for growth and profitability. It is my sincere belief that the success of the dairy industry in British Columbia is dependent on our ability to work together. I consider serving as the new Chairman of the British Columbia Milk Marketing Board to be an honour and a privilege, and I look forward to working closely with all of our industry partners and stakeholders as we address future challenges in a spirit of cooperation.

Respectfully submitted,

Blaine Gorrell
Chairman

General Manager's Report

Legislative and regulatory compliance and governance of the British Columbia Milk Marketing Board are the responsibilities of the Chairman and Board Members as supported by staff. Regulatory obligations are met through the Board, the Milk Industry Advisory Committee, the Audit Committee and the holding of the Annual General Meeting. Issues of interest to dairy industry stakeholders are addressed by way of standing committees and working groups.

As part of its regular consultation practices, the Board holds producer meetings in a number of locations throughout the province during the spring and fall. As well, the Board regularly meets with the British Columbia Dairy Council and the British Columbia Milk Producers Association. These organizations are the respective advocacy groups for British Columbia processors and producers. The Board periodically establishes working groups that are composed of appropriate combinations of producer, processor, transporter and government stakeholders to investigate certain issues and make non-binding recommendations. In aggregate, the consultation process permits the examination of Board regulation and policy, and provides for the opportunity to obtain input from dairy industry stakeholders.

Responsibility for daily operations resides with the General Manager and eleven employees. Regulatory and administrative duties are performed through the following divisions:

- Board Governance, Communications and Human Resources
- Finance, Administration and Information Technology
- Milk Order and Transportation

Not to the exclusion of others, the duties and responsibilities of the Board are to:

- maintain a register of licensed producers;
- license all producers, vendors, producer vendors and milk transporters;
- allot milk quota to licensed producers;
- serve as the registrar of milk quota and administer the transfer of quota among producers;
- administer timely changes to published milk prices;
- perform the monthly producer equalization pool and remit advance and final producer payments that include the milk quality bonus when applicable;
- administer third-party auditing of vendors;
- manage the activity of milk pick-up at farms and delivery to vendors;
- administer the collection of levies from producers as required by provincial statute and remit said funds to the British Columbia Dairy Industry Development Council;
- prepare and disseminate accurate and timely industry information through established communication devices including newsletters, brochures, web sites and broadcast e-mail;
- liaise with government, British Columbia dairy and agriculture organizations and other milk regulatory agencies outside of British Columbia; and
- provide secretariat support to the Milk Industry Advisory Committee, the Transportation Advisory Committee and those working groups established by the Board.

A list of accomplishments that occurred during the 2004/2005 dairy year is set out below:

- ensured compliance with the British Columbia Farm Industry Review Board's directive to implement full pooling of milk transportation costs in August 2004;
- encouraged a solids non fat to butterfat ratio of 2.4743 by increasing the butterfat price by $4.00 and decreasing the protein price by a corresponding amount in October 2004;
- amended the non-qualifying milk policy in November 2004 and implemented the revised milk quality bonus in December 2004 to reflect zero payment for non-qualifying milk;
- disseminated a general quota allotment of 430,602 kilograms in December 2004;
- complied with the national quota system in January 2005 by meeting the 97% threshold;
- provided recommendations for the management of specialty products in March 2005;
- implemented a 2% sleeve from April to July 2005 to ensure adequate milk production;
- participated in the national harmonization of the milk classification system in May 2005;
- increased the Marketing Costs and Losses Levy in June 2005 to offset shrinkage;
- established a maximum allotment of TPQ per producer at 5% in July 2005;
- approved the Election and Appointment Rules and Procedures in July 2005;
- developed the 2005 Transportation Plan and initiated a tendering process for transporters;
- continued to provide producers with timely milk component and milk quality data; and
- frequently updated the Board's web site to permit public access to Board publications and password-protected access to individual farm data.

During the reporting period, routine changes to published prices for processor billing were authorized by the Board. There were two increases to Class 1 milk prices during the 2004/2005 dairy year. These increases were based on the Alberta Fluid Milk Price Formula that serves to benchmark British Columbia fluid milk prices.

The overall goal of the Board is to provide accurate and timely administrative services for producers, processors and transporters. Board operations are constantly examined to determine where efficiencies can be achieved and cost savings accomplished.

Lastly, as the new General Manager, I would like to extend my appreciation to the staff for their dedicated efforts. This past year witnessed a high level of activity that was further compounded by the departures of the previous General Manager and the Provincial Milk Manager. The efforts of staff to cover the heightened workload was admirable and emphasized the pride and commitment each of them have toward their responsibilities to the Board and the industry. Not only did their work enable the Board to meet its regulatory obligations and its administrative and service objectives, but since I assumed my new responsibilities in June, they have been a trusted and invaluable resource to me.

Ken W. McCormack
General Manager

Financial Statements of

BRITISH COLUMBIA MILK MARKETING BOARD

GENERAL FUND

Year ended July 31, 2005

KPMG LLP
Chartered Accountants
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Chilliwack BC V2P 4H7
Canada

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Telefax (604) 793 4747
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AUDITORS' REPORT TO MEMBERS

We have audited the balance sheet of British Columbia Milk Marketing Board General Fund as at July 31, 2005 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the British Columbia Milk Marketing Board General Fund at July 31, 2005 and the results of its operations and the changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Chilliwack, British Columbia
September 23, 2005

KPMG LLP, a Canadian owned limited liability partnership established under the laws of Ontario, is a member firm of KPMG International, a Swiss association.

BRITISH COLUMBIA MILK MARKETING BOARD

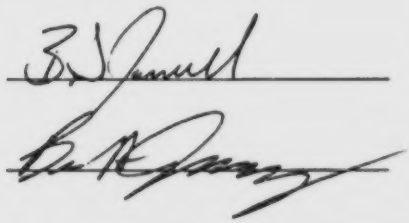
GENERAL FUND

Balance Sheet

July 31, 2005, with comparative figures for 2004

	2005	2004 (as restated)
Assets		
Current assets:		
Cash	$ 5,042,706	$ 2,320,269
Accounts receivable (Note 4)	2,191,671	4,028,874
Prepaid expenses	4,771	10,383
	7,239,148	6,359,526
Investment (Note 5)	1,106,556	1,109,054
Capital assets (Note 6)	133,869	139,371
	$ 8,479,573	$ 7,607,951
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	$ 302,378	$ 251,008
Fees payable or refundable (Note 7)	390,023	412,654
Unearned fees (Note 8)	4,422,236	3,420,616
Unearned licence revenue	133,200	135,600
	5,247,837	4,219,878
Net assets:		
Invested in capital assets	133,869	139,371
Internally restricted	1,843,575	1,843,575
Unrestricted	1,254,292	1,405,127
	3,231,736	3,388,073
Commitment (Note 12)		
Contingent liabilities (Note 13)		
	$ 8,479,573	$ 7,607,951

On behalf of the Board:



Chairman

Secretary-Treasurer

See accompanying notes to financial statements.

BRITISH COLUMBIA MILK MARKETING BOARD

GENERAL FUND

Statement of Revenues and Expenditures

Year ended July 31, 2005, with comparative figures for 2004

	2005	2004 (as restated)
Revenues:		
Board (Note 9)	$ 1,891,162	$ 1,890,594
Other agencies (Note 10)	5,866,304	9,207,382
Transportation (Note 11)	16,939,222	11,663,639
Gross revenues before the following	24,696,688	22,761,615
Less:		
Transfers to other agencies (Note 10)	5,866,304	9,207,382
Transportation expenditures (Note 11)	16,939,222	11,663,639
	22,805,526	20,871,021
Net revenues	1,891,162	1,890,594
Interest	209,386	110,591
Special projects expense recovery	27,094	38,617
	2,127,642	2,039,802
Expenditures:		
Amortization	33,467	34,843
Audit - Board	21,000	16,710
Audit - Vendor	169,990	149,760
Board member per diems	221,413	186,950
Committees	19,125	10,875
Consulting and contract wages	101,929	16,300
Data collection	95,858	-
Data processing	96,069	102,202
General office and administration	320,643	280,036
Legal	29,956	77,475
Milk testing charges	129,011	128,776
Salaries and benefits	790,552	666,361
Special projects	40,071	45,356
Travel	212,397	194,777
	2,281,481	1,910,421
(Deficiency) excess of revenues over expenditures	(153,839)	129,381
Equity loss on investment (Note 5)	(2,498)	(82,503)
(Deficiency) excess of revenues over expenditures	$ (156,337)	$ 46,878

See accompanying notes to financial statements.

BRITISH COLUMBIA MILK MARKETING BOARD

GENERAL FUND

Statement of Changes in Net Assets

Year ended July 31, 2005, with comparative figures for 2004

	Invested in capital assets	Internally restricted	Unrestricted	2005 Total	2004 (as restated) Total
Balance, beginning of year, as previously stated	$ 139,371	$ 1,843,575	$ 1,512,325	$ 3,495,271	$ 3,365,890
Correction of error (Note 3)	-	-	(107,198)	(107,198)	(24,695)
Balance, as restated	139,371	1,843,575	1,405,127	3,388,073	3,341,195
Excess (deficiency) of revenues over expenditures	(33,467)	-	(122,870)	(156,337)	46,878
Change in investment in capital assets	27,965	-	(27,965)	-	-
Balance, end of year	$ 133,869	$ 1,843,575	$ 1,254,292	$ 3,231,736	$ 3,388,073

See accompanying notes to financial statements.

BRITISH COLUMBIA MILK MARKETING BOARD

GENERAL FUND

Statement of Cash Flows

Year ended July 31, 2005, with comparative figures for 2004

	2005	2004 (as restated)
Cash provided by (used in):		
Operating:		
(Deficiency) excess of revenues over expenditures	$ (156,337)	$ 46,878
Items not involving cash:		
Amortization of equipment	33,467	34,843
Amortization of prepaid rent	-	5,297
Equity loss on investment	2,498	82,503
Net changes in non-cash working capital balances relating to operations:		
Accounts receivable	1,837,203	(2,768,746)
Prepaid expenses	5,612	(5,183)
Accounts payable and accrued liabilities	51,370	31,153
Fees payable or refundable	(22,631)	4,866
Unearned fees	1,001,620	2,117,879
Unearned licence revenue	(2,400)	(8,599)
	2,750,402	(459,109)
Investing:		
Purchase of capital assets	(27,965)	(81,578)
Increase in investment	-	(175,000)
	(27,965)	(256,578)
Increase (decrease) in cash position	2,722,437	(715,687)
Cash position, beginning of year	2,320,269	3,035,956
Cash position, end of year	$ 5,042,706	$ 2,320,269
Supplementary cash flow information:		
Interest received	$ 129,706	$ 89,150

See accompanying notes to financial statements.

BRITISH COLUMBIA MILK MARKETING BOARD

GENERAL FUND

Notes to Financial Statements

Year ended July 31, 2005

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1. General:

(a) The British Columbia Milk Marketing Board ("the Board") is a regulatory body which receives its authority under the Natural Products Marketing (B.C.) Act, the British Columbia Milk Marketing Board Regulation, the Milk Industry Act, the Agricultural Products Marketing Act, the British Columbia Milk Order, the Canadian Dairy Commission Act, and the Dairy Products Marketing Regulations. The General Fund includes all statutory activities of the Board with the exception of Milk Pool Equalization Fund which is accounted for as a distinct fund and reported on separately.

Effective October 1, 2001, the Board became the first receiver of raw milk. As a consequence the Board acts as a facilitating intermediary between producers and processors with respect to the transportation and sale of raw milk. Raw milk revenues and expenditures are included in the Milk Pool Equalization Fund.

The Milk Pool Equalization Fund has $434,205,991 in equalization revenue and $434,205,991 in equalization expenditures and $39,564,497 in assets and liabilities to July 31, 2005 which are not included in these financial statements.

(b) The Board remits Equalization payments to the Canadian Dairy Commission ("CDC"). The CDC receives the funds in respect of milk and dairy products in inter-provincial trade and, as agent for the Board, distributes them pursuant to prevailing pooling agreements, and, in respect of milk and dairy products in international export trade, pursuant to the above legislation.

2. Significant accounting policies:

(a) Unearned fees:

Unearned fees consists of:

i) the difference between the world price received by producers and domestic price paid by processors for milk shipments assessed by the Board based on individual producer's market share quota and those computed by the CDC based on the aggregate provincial allotment of quota for the dairy year;

ii) distributions of any surpluses from the marketing operations of the CDC for the year; and

iii) amounts retained by the Board in case of processor default.

The Board exercises discretion over the use of these funds. At the discretion of the Board in any year following the recording of unearned fees, the amounts may be appropriated as revenue or redistributed to producers. Appropriated revenues are recorded as internally restricted funds until utilized by the Board.

2. Significant accounting policies (continued):

(b) Investments:

The Board accounts for its 50% interest in Central Agricultural Facility Ltd. using the equity method. Under the equity method, the investment is recorded at the original cost of the shares plus the Board's share of undistributed earnings since inception. The statement of operations includes the Board's share of investee income or loss for the year.

(c) Capital assets:

Capital assets are recorded at cost.

Amortization of office equipment has been provided in the accounts on a declining balance basis at an annual rate of 20% calculated on the unamortized balance at the end of the year.

(d) Revenue recognition:

The Board recognizes revenue when the service is provided and the customer assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

(e) Employee benefit plans:

The multi-employer plan is accounted for as a defined contribution plan and contributions are expensed as required.

(f) Use of estimates:

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Correction of error:

During the year the Board determined that it had not recorded the equity loss of Central Agricultural Facility Ltd. for prior years. This error was corrected in the current year. The restatement decreased 2004 revenues over expenditures by $82,503 and decreased Investment by $107,198. Opening unrestricted net assets were reduced by $107,198 (2004 - $24,695) to reflect the cumulative adjustment.

4. Accounts receivable:

	2005	2004
Milk Pool Equalization Fund	$ 2,096,038	$ 3,304,814
Accounts receivable - trade	95,633	724,060
	$ 2,191,671	$ 4,028,874

5. Investment:

The Board's investment is in a 50% owned subsidiary, Central Agricultural Facility Ltd. ("CAFL"), and includes the following:

	2005	2004 (as restated)
Shares - 50% interest	$ 1	$ 1
Advances without interest or fixed terms of repayment	1,216,251	1,216,251
Equity loss since inception	(109,696)	(107,198)
	$ 1,106,556	$ 1,109,054

CAFL reports its financial activities on a calendar year. Financial statements as at July 31, 2005 are not available. The Board used CAFL's December 31, 2004 financial statements to report its equity interest. There have been no material events in CAFL from December 31, 2004 to July 31, 2005.

5. Investment (continued):

CAFL's condensed financial statements and the Board's 50% share are as follows:

December 31, 2004 Condensed Balance Sheet	100%	50%
Assets:		
Current assets	$ 252,211	$ 126,105
Capital assets	5,031,218	2,515,609
	$ 5,283,429	$ 2,641,714
Liabilities and Shareholders' Deficiency:		
Current liabilities	$ 141,554	$ 70,777
Long-term debt	2,709,896	1,354,948
Due to shareholders	2,651,370	1,325,685
Shareholders' deficiency	(219,391)	(109,696)
	$ 5,283,429	$ 2,641,714

5. Investment (continued):

Year ended December 31, 2004 Condensed Statement of Operations	100%	50%
Revenues	$ 533,530	$ 266,765
Expenses	538,527	269,263
Net loss	$ (4,997)	$ (2,498)

Year ended December 31, 2004 Condensed Statement of Cash Flows	100%	50%
Cash provided by (used in):		
Operations	$ 166,875	$ 83,437
Financing	89,661	44,830
Investing	(71,393)	(35,696)
Increase in cash position	$ 185,143	$ 92,571

The Board's and CAFL's significant accounting policies are the same or similar except for the following:

CAFL is subject to income taxes.

CAFL uses the asset and liability method of accounting for income taxes. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

6. Capital assets:

	Cost	Accumulated amortization	2005 Net book value	2004 Net book value
Office equipment	$ 326,107	$ 192,238	$ 133,869	$ 139,371

7. Fees payable or refundable:

	2005	2004
Fees payable to producers, processors or third parties:		
Quality bonus fees	$ 254,444	$ 258,792
Marketing costs and losses fees	95,016	50,338
Accrued freight cost adjustments to the Transportation Pool (Note 11)	30,563	-
Security deposit payable to vendor	10,000	10,000
Skim-off payable to Dairy Farmers of Canada	-	93,524
	$ 390,023	$ 412,654

8. Unearned fees:

	2005	2004
Balance, beginning of year	$ 3,420,616	$ 1,302,737
Add:		
Over quota - domestic/world price differential	2,541,507	1,952,133
In quota fees charged to producers	347,770	440,811
Vendor default levy	64,476	64,242
	6,374,369	3,759,923
Less:		
Over quota- domestic/world price differential paid to producers	1,952,133	339,307
	1,952,133	339,307
Balance, end of year	$ 4,422,236	$ 3,420,616

The balance of the vendor default levy account at July 31, 2005 was $239,731 (2004 - $175,255).

9. Board fees:

During the year the following fees were assessed by the Board:

	2005	2004
Assessed on producers:		
Administration fees	$ 1,031,608	$ 1,027,874
Licence fees	133,952	137,146
	1,165,560	1,165,020
Assessed on GEP applicants	8,500	9,800
Assessed on processors:		
Administration fees	707,326	706,166
Licence fees	7,270	6,886
	714,596	713,052
Assessed on transporters:		
Licence fees	2,506	2,722
	$ 1,891,162	$ 1,890,594

10. Fees - producers, processors or other agencies:

During the year the following fees were assessed by the Board for remittance to producers, processors or other agencies:

	2005	2004
Assessed on processors for remittance to producers:		
Quality bonus paid to producers	$ 1,174,942	$ 1,170,729
Quality bonus refunded to processors	254,444	258,792
Total quality bonus fees collected	1,429,386	1,429,521
Marketing costs and losses fees paid to producers	1,207,876	4,547,838
Marketing costs and losses fees paid to processors	589,829	592,875
Total marketing costs and losses fees collected	1,797,705	5,140,713
Assessed on processors for remittance to plant of last resort:		
Accommodation fees	1,929,072	1,925,907
Assessed on processors for remittance to B.C. Dairy Council:		
Container recycling fee	710,141	711,241
	$ 5,866,304	$ 9,207,382

11. Transportation:

	2005	2004
Transportation revenue - Producers	$ 16,546,633	$ 10,001,835
Transportation revenue - PLR	381,513	1,649,415
Handling revenue	11,076	12,389
	$ 16,939,222	$ 11,663,639
Transport haulers	$ 16,444,287	$ 15,309,485
Seal-Tite program	200,836	172,135
Data collection	-	144,800
Salaries and benefits	230,520	251,214
Travel	6,700	7,551
Rent	26,316	22,746
Milk testing shortfall	-	85,506
	16,908,659	15,993,437
Costs recovered from milk pool equalization fund	-	(4,329,798)
Freight cost adjustments to the Transportation Pool	30,563	-
	$ 16,939,222	$ 11,663,639
Total milk shipments in hectolitres	6,449,228	6,424,191
Average cost per hectolitre	$ 2.62	$ 2.49

12. Commitment:

The Board rents its office premises from CAFL under a sub-lease covering the period May 1, 2003 to April 30, 2006. Lease payments are $11,695 per month effective October 1, 2003.

13. Contingent liabilities:

(a) The Board has provided a $250,000 mortgage guarantee for Central Agricultural Facility Ltd. ("CAFL") for the purchase of land and building in 2003. The current guarantee term expires in March 2007. The mortgage balance in CAFL as at July 31, 2005 is $2,740,545. The mortgage default provisions are non-payment of monthly payments, bankruptcy or insolvency, or CAFL ceasing to carry on business.

(b) The Board and its employees contribute to the Public Service Plan (the plan), a jointly trusteed pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the plan, including investment of the assets and administration of benefits. The plan is a multi-employer, contributory pension plan. Basic pension benefits are defined. The plan has approximately 52,000 active and 30,000 retired plan members. Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The latest valuation as at March 31, 2002, indicated a $546 million funding surplus for basic pension benefits. The next evaluation will be as at March 31, 2005 with results available in 2006. The actuary does not attribute portions of the surplus to individual employers. Contributions to the plan by the Board totaled $54,089 during the year.

14. Related party transactions:

Included in general office and administration expense is $114,029 (2004 - $111,124) and included in transportation expense is $26,316 (2004 - $22,746) in lease payments to lease facilities from Central Agricultural Facility Ltd. ("CAFL").

The Board is a 50% shareholder in CAFL.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

15. Fair value of financial assets and financial liabilities:

The fair value of the Board's cash, accounts receivable, accounts payable and accrued liabilities and fees payable or refundable approximate their carrying values due to the short term nature of the amounts.

16. Comparative figures:

Certain of the prior year's figures shown for comparison have been reclassified and restated (Note 3) to conform with the current year's financial statement presentation.

Financial Statements of

BRITISH COLUMBIA MILK MARKETING BOARD

MILK POOL EQUALIZATION FUND

Year ended July 31, 2005

KPMG LLP
Chartered Accountants
#200 – 9123 Mary Street
Chilliwack BC V2P 4H7
Canada

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AUDITORS' REPORT TO MEMBERS

We have audited the balance sheet of British Columbia Milk Marketing Board Equalization Fund as at July 31, 2005 and the statement of revenue and expenditures for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the British Columbia Milk Marketing Board Milk Pool Equalization Fund as at July 31, 2005 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Chilliwack, British Columbia
September 23, 2005

KPMG LLP, a Canadian owned limited liability partnership established under the laws of Ontario, is a member firm of KPMG International, a Swiss association.

BRITISH COLUMBIA MILK MARKETING BOARD

MILK POOL EQUALIZATION FUND

Balance Sheet

July 31, 2005, with comparative figures for 2004

	2005	2004
Assets		
Cash	$ 19,110,807	$ 19,733,336
Accounts receivable	20,453,690	21,248,122
	$ 39,564,497	$ 40,981,458
Liabilities		
Accounts payable (Note 3)	$ 39,394,109	$ 40,811,738
Long-term accounts payable (Note 4)	170,388	169,720
	$ 39,564,497	$ 40,981,458

On behalf of the Board:

Chairman

Secretary-Treasurer

See accompanying notes to financial statements.

BRITISH COLUMBIA MILK MARKETING BOARD

MILK POOL EQUALIZATION FUND
Statement of Revenue and Expenditures

Year ended July 31, 2005, with comparative figures for 2004

	2005	2004
Revenue:		
Equalization receipts	$ 434,079,039	$ 420,481,815
Interest	126,952	125,532
	434,205,991	420,607,347
Expenditures:		
Payments to Canadian Dairy Commission:		
P10 and Western Milk Pool equalization	16,069,974	22,424,266
Transportation shortfall charged to the milk pool equalization fund	-	4,329,798
Freight cost adjustments recovered from Transportation Pool	(30,563)	-
Equalization payments to producers	418,166,580	393,853,283
	434,205,991	420,607,347
Excess of revenue over expenditures	$ -	$ -

See accompanying notes to financial statements.

BRITISH COLUMBIA MILK MARKETING BOARD

MILK POOL EQUALIZATION FUND
Notes to Financial Statements

Year ended July 31, 2005

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1. General:

The British Columbia Milk Marketing Board ("the Board") is a regulatory body which receives its authority under the Natural Products Marketing (B.C.) Act, the British Columbia Milk Marketing Board Regulation, the Milk Industry Act, the Agricultural Products Marketing Act, the British Columbia Milk Order, the Canadian Dairy Commission Act, and the Dairy Products Marketing Regulations.

The Milk Pool Equalization Fund is the method used by the Board to enable producers to participate in all of the sales in each of the milk classes established by the Board proportionate to the quota allotted to each producer.

Effective March 1, 1997 the four western provinces, British Columbia, Alberta, Saskatchewan and Manitoba and the Canadian Dairy Commission created the Western Milk Pooling Agreement (the "Agreement"). The purpose of the Agreement is to extend the pooling arrangements within each of the provinces so that all producer returns are pooled among producers in all of the western provinces, as if the western provinces constituted a single market.

Effective October 1, 2001, the Board became the first receiver of raw milk. As a consequence the Board acts as a facilitating intermediary between producers and processors with respect to the transportation and sale of raw milk.

These statements do not include the general fund operations of the Board which are reported separately.

2. Significant accounting policy:

Revenue recognition:

The Board recognizes revenue when the service is provided and the customer assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

3. Related fund balances:

Included in accounts payable is an amount of $2,096,038 (2004 - $3,304,814) owing to the Board's General Fund. These amounts represent equalization obligations charged to producers through the Milk Pool Equalization Fund, freight cost adjustments, transportation shortfall charged to the pool, and levies due.

BRITISH COLUMBIA MILK MARKETING BOARD

MILK POOL EQUALIZATION FUND

Notes to Financial Statements (Continued)

Year ended July 31, 2005

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4. Long-term accounts payable:

This amount represents an accumulation of the excess of equalization receipts over equalization payments. It is used to ensure adequate funds are available to meet cash flow needs. The Board does not intend to pay this amount within the next year, accordingly it is classified as a long-term accounts payable.

5. Collections for other agencies:

During the year the following fees were collected by the Board for remittance to other agencies:

	2005	2004
Assessed on producers for remittance to Dairy Industry Development Council		
Fluid milk promotion	4,697,677	4,460,614
DFC Promotion	3,291,309	2,941,809
Association levy	566,350	481,816
Ministry of Agriculture and Land penalties	102,095	76,951
	8,657,431	7,961,190

These fees are not included in Equalization revenues.

6. Use of estimates:

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the reported period. Actual results could differ from those estimates.

7. Statement of cash flow:

A statement of cash flow has not been prepared as the information is readily apparent from the financial statements presented.

8. Fair value of financial assets and financial liabilities:

The fair value of the Board's cash, accounts receivable and accounts payable approximate their carrying amounts due to the short term nature of the amounts.

9. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

Statistical Overview

On July 31, 2005 there were 644 milk producers in British Columbia. A breakdown of producer populations and quota distribution by region is presented in Table 1 of Appendix A.

Statistical information on milk production, utilization and sales is presented in Tables 2 to 4 in Appendix A. During the 2004/2005 dairy year 644,780,954 litres of milk were produced in British Columbia (see Table 2). Of this total production, 357,669,355 litres were utilized in the Class 1 market (see Table 3 for a breakdown of Class 1 milk sales by product) and 287,111,599 litres were used in the processing of non-fluid dairy products.

Total milk production in British Columbia increased by 2,359,568 litres or 0.37% during the period from August 1, 2004 to July 31, 2005 over the corresponding period in 2003 and 2004 (see Table 2). Class 1 utilization during the August 1, 2004 to July 31, 2005 period decreased by 327,457 litres or 0.09% over the same period in 2003 and 2004 (see Table 2). Industrial milk utilized during the 2004/2005 dairy year compared to the 2003/2004 dairy year increased by 2,687,025 litres or 0.94% (see Table 2).

On March 1, 1997 the Western Milk Pool (WMP) was formed consisting of British Columbia, Alberta, Saskatchewan and Manitoba. Production and sales figures for the WMP from August 1, 2004 to July 31, 2005 are presented in Table 4 of Appendix A. Total production of butterfat in the WMP was 66,720,780 kilograms during the 2004/2005 dairy year (see Table 4). Class 1 milk sales in the WMP during the same period were 887,888,884 litres (see Table 4).

There were 35 dairy plants licensed by the Board to process milk as at July 31, 2005. Licensing statistics are provided in Table 5 of Appendix A.

Going Concern Sales and Other Transfers

There were 46 transfers of Total Production Quota (TPQ) processed during the 2004/2005 dairy year without the use of the quota exchange. Amongst these 46 transactions were 16 partial transfers, 13 family transfers, 7 name changes and 7 merge/splits that accounted for 706,907 kilograms of the total kilograms transferred. Going concern sales resulted in 280,401 kilograms of TPQ being transferred. The Board assessed 16,054 kilograms under its assessment policy. Details of TPQ transfers during the 2004/2005 dairy year are shown in Table 6 of Appendix A.

Quota Exchange

Two quota exchanges were run every month except for July as there are no transfers effective August 1. Details of the quota exchange market clearing prices for the 2004/2005 dairy year are given in Table 7 of Appendix A.

Manufactured Milk Quota

Manufactured Milk Quota (MMQ) allocated to British Columbia for the 2004/2005 dairy year was 10,106,287 kilograms of butterfat on August 1, 2004. This was increased to 10,540,387 kilograms on December 1, 2004. British Columbia produced 150,443 kilograms of butterfat under the Domestic Dairy Product Innovation Program during the 2004/2005 dairy year. British Columbia's deemed MMQ under the Western Milk Pooling Agreement was 11,602,190 kilograms as at July 31, 2005.

Graduated Entry Program

To provide a major portion of the quota necessary for the Graduated Entry Program (GEP), a transfer assessment policy was introduced in August 1986 for fluid quota and in January 1991 for MMQ. The assessment was reduced from 10% to 5% in April 1995. Effective August 1, 1999 the transfer assessment policy was discontinued for TPQ sold on the quota exchange. During the 2004/2005 dairy year the TPQ transfer assessment remained at 5% for going concern sales and partial transfers. Details of the GEP are provided in Tables 8 and 9 of Appendix A.

Producer Revenue and Milk Composition

During the 2004/2005 dairy year the average producer grossed between $59.56 and $66.79 per hectolitre of within-quota milk. After including the Marketing Costs and Losses Levy refund and the milk quality bonus, the average producer grossed between $59.98 and $67.21 per hectolitre of within-quota milk. Details of monthly revenue, milk composition and prices are summarized in Tables 10 and 11 of Appendix A.

Vendor Audits

Throughout the 2004/2005 dairy year the auditing of licensed vendors followed the Board established vendor audit schedule. Although vendors were typically audited on a quarterly basis, the specific frequency for each vendor conformed to risk assessment principles. Characteristics such as plant size and product variety influenced the frequency of audits. Larger vendors were audited from three to four times during the dairy year while two audits were the norm for smaller vendors.

As was expected for the 2004/2005 dairy year, vendor audits uncovered variances that were characterized as insignificant when examined from the perspective of the total value of milk delivered each month by producers. The finding of variances by vendor audits is not uncommon because vendors capture and record large amounts of data, and slight over or under reporting can occur. There was no trend evident among any of the licensed vendors that the incidence of audit variances exceeded normalcy.

Upon identification, audit variances were incorporated into subsequent monthly equalization pools as audit adjustments. A review of the audit adjustments made during the 2004/2005 dairy year as set out in each of the monthly producer equalization pools serves to demonstrate that audit variances have occurred. However, they have not been of a nature where the monthly blend price or the monthly value for any of the three milk components has been significantly affected.

Appeals to the B.C. Farm Industry Review Board

Pan-O-Ramic Farms (1990) Limited

Pan-O-Ramic Farms (1990) Limited, a licensed transporter, filed an appeal in February 2004 regarding the non-renewal of a transporter contract by the Board. The B.C. Farm Industry Review Board ruled on the appeal in October 2004.

Elisa & Trientje Rouw and Tony Vandenberg

Appeals filed in October 2004 and November 2004 by Elisa & Trientje Rouw and Tony Vandenberg respectively resulted from decisions of the Board concerning conversion options for the Graduated Entry Program. The appeal was dismissed in March 2005 after a mediated agreement was ratified.

Mainland Milk Producers

An appeal filed in July 2005 by the Mainland Milk Producers pertained to a decision of the Board to not implement a containment policy for freight charges. This appeal had not been resolved at the end of the dairy year.

Appendix A

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TABLE 1 - Regional Statistics for British Columbia as at July 31, 2005

Region	Number of Producers*	TPQ Allotted (kg)
1 - Fraser Valley	452	16,826,872
2 - Vancouver Island South	43	1,636,275
3 - Vancouver Island North	21	988,141
4 - Bulkley Valley	11	220,759
5 - Cariboo	7	290,071
6 - Kootenays	11	496,612
7 - Okanagan	96	2,797,513
8 - Peace River	3	106,073
Total	644	23,362,316

* Includes licensed producers in Class C and Class D Restricted

TABLE 2 - Qualifying Milk Production in British Columbia for the 2004/2005 and 2003/2004 Dairy Years

	PRODUCTION		UTILIZATION CLASS 1		UTILIZATION OTHER CLASSES	
	Total Litres	Daily Average Litres	Total Litres	Daily Average Litres	Total Litres	Daily Average Litres
2004/2005 Totals	644,780,954	1,766,523	357,669,355	979,916	287,111,599	786,607
2003/2004 Totals	642,421,386	1,755,250	357,996,812	978,133	284,424,574	777,116
Volume Change	2,359,568	11,273	-327,457	1,783	2,687,025	9,491
Percent Change	0.37%	0.64%	-0.09%	0.18%	0.94%	1.22%

Notes: Table 2 includes milk utilized in Class 1(b)(ii) and Class 1(d), whereas Table 3 does not.
Table 2 does not include milk used for non-fluid purposes produced by Cottage Industry Producer Vendors.

TABLE 3 - Class 1 Milk Sales in British Columbia for the 2004/2005 and 2003/2004 Dairy Years

	2004/2005 Litres	2003/2004 Litres	Volume Change	Percent Change
Homogenized Milk (3.25%B.F.)	64,377,034	65,257,552	-880,518	-1.35%
Skim Milk (2%B.F.)	125,157,606	126,065,160	-907,554	-0.72%
Skim Milk (1%B.F.)	77,141,138	75,873,531	1,267,607	1.67%
Skim Milk (<0.5%B.F.)	49,107,206	48,364,090	743,116	1.54%
Chocolate Milk	9,292,158	10,849,838	-1,557,680	-14.36%
Buttermilk	3,565,813	3,489,395	76,418	2.19%
Light Cream (10%B.F.)	16,006,005	15,924,867	81,138	0.51%
Cream (18%B.F.)	5,226,746	3,880,673	1,346,073	34.69%
Whipping Cream (32%B.F.)	6,586,444	6,562,040	24,404	0.37%
Eggnog	1,060,044	1,041,251	18,793	1.80%
Cordials	69,319	71,967	-2,648	-3.68%
All Products	357,589,513	357,380,364	209,149	0.06%

Note: Table 3 does not include milk utilized in Class 1(b)(ii) and Class 1(d), whereas Table 2 does.

TABLE 4 - Western Milk Pool Statistics for the Period from August 1, 2004 to July 31, 2005

	CLASS 1 SALES (LITRES)	% OF CLASS 1 SALES (LITRES)	CLASS 1 SALES PLUS EXCLUSION (LITRES)	AVG. B/F ALL MILK (KG/HL)	CLASS 1 SALES PLUS EXCLUSION (KG)	DEEMED CLASS 1 (KG)	DEEMED INDUSTRIAL (KG)	TOTAL PRODUCTION (KG)
Manitoba	114,602,689	12.91%	119,568,453	3.8090	4,561,125	5,802,607	5,655,011	11,457,618
Saskatchewan	70,019,058	7.89%	73,322,581	3.7430	2,748,893	4,157,483	4,051,732	8,209,215
Alberta	345,602,685	38.92%	354,128,994	3.7043	13,124,951	11,925,048	11,621,721	23,546,769
British Columbia	357,664,452	40.28%	364,343,106	3.6645	13,355,160	11,904,988	11,602,190	23,507,178
TOTAL	887,888,884	100.00%	911,363,134	3.7121	33,790,129	33,790,126	32,930,654	66,720,780

TABLE 5 - Licensing Information for British Columbia

CLASS OF LICENCE	A	B	C	D RESTRICTED	H
ISSUED BETWEEN AUGUST 1, 2004 AND JULY 31, 2005	20	17	694	4	13
CANCELLED BETWEEN AUGUST 1, 2004 AND JULY 31, 2005	5	1	54	0	1
IN EFFECT JULY 31, 2005	15	16	640	4	12
IN EFFECT JULY 31, 2004	15	13	669	4	13

CLASS A LICENCE - VENDORS PROCESSING BOTH FLUID AND NON FLUID MILK PRODUCTS

CLASS B LICENCE - VENDORS PROCESSING ONLY NON FLUID MILK PRODUCTS

CLASS C LICENCE - PRODUCERS ALLOTTED TOTAL PRODUCTION QUOTA

CLASS D RESTRICTED LICENCE - PRODUCERS ALLOTTED TOTAL PRODUCTION QUOTA AND PROCESSING MILK ON THEIR FARM INTO NON FLUID PRODUCTS

CLASS H LICENCE - TRANSPORTERS OF MILK

TABLE 6 - Quota Transfers in British Columbia from August 1, 2004 to July 31, 2005

Quota Exchange	Kilograms
Unused TPQ	391,198
Used TPQ	384,798
Going Concern Transfers	
Unused TPQ	126,892
Used TPQ	153,509
Partial Transfers	
Unused TPQ	19,525
Used TPQ	16,555
Other Transfers	
Family	323,942
Name Changes	248,344
Merge/Splits	98,541
TOTAL ALL TRANSFERS	**1,763,304**

TABLE 7 - Quota Exchange Market Clearing Prices in British Columbia from August 2004 to July 2005

	First Quota Exchange		Second Quota Exchange	
Month	Unused TPQ ($/kg)	Used TPQ ($/kg)	Unused TPQ ($/kg)	Used TPQ ($/kg)
Aug-04	$78.00	N/A*	$79.00	N/A*
Sep-04	$79.00	N/A*	$80.00	N/A*
Oct-04	$81.00	$72.00	$81.50	$72.00
Nov-04	$84.00	$72.00	$88.00	$76.00
Dec-04	$90.00	$80.00	$95.00	$76.75
Jan-05	$92.00	$82.00	$93.00	$90.00
Feb-05	$94.00	$83.00	$92.00	$82.50
Mar-05	$93.00	$82.50	$96.00	$82.50
Apr-05	$98.00	$86.00	$103.00	$85.00
May-05	$99.50	$88.00	$98.00	$88.50
Jun-05	$97.00	$91.50	$99.00	$90.00
Jul-05	N/A**	N/A**	N/A**	N/A**

* No Used TPQ Exchanges in August and September
** No Unused or Used TPQ Exchanges in July

TABLE 8 - Number of Producers Started on the Graduated Entry Program

Year	Fraser Valley	Okanagan	Bulkley Valley	Kootenays	Cariboo	Peace River	Vancouver Island	Total
1995	6	1						7
1996	8	2						10
1997	9	1						10
1998	6	4						10
1999	2	2						4
2000	2							2
2001	4	2	2					8
2002	3							3
2003	3							3
2004	2	1						3

TABLE 9 - Total Production Quota Allotted to Graduated Entry Program Participants

Year	Producers Started on Program	Initial Allotment of Total Production Quota (Kilograms)	Matching Allotment of Total Production Quota (Kilograms)	Total Allotment (Kilograms)
1997	10	29,500	30,431	59,931
1998	10	29,500	32,914	62,414
1999			1,414	1,414
2000			1,599	1,599
2001			1,404	1,404
		Allotment of Restricted Total Production Quota (Kilograms)		
1999	4	28,000		28,000
2000	2	14,000		14,000
2001	8	62,000		62,000
2002	3	21,000		21,000
2003	3	21,000		21,000
2004	3	15,000	4000	19,000

TABLE 10 - Gross Monthly Producer Revenue from August 2004 to July 2005

MONTH	STANDARD HECTOLITRE REVENUE ($/HL)			AVERAGE BC HECTOLITRE REVENUE ($/HL)		
	STANDARD HECTOLITRE	PLUS MARKETING COSTS & LOSSES LEVY REFUND	PLUS QUALITY BONUS	AVERAGE BC HECTOLITRE	PLUS MARKETING COSTS & LOSSES LEVY REFUND	PLUS QUALITY BONUS
Aug-04	60.89	61.06	61.31	59.56	59.73	59.98
Sep-04	64.03	64.20	64.45	64.18	64.35	64.60
Oct-04	62.39	62.56	62.81	63.79	63.96	64.21
Nov-04	62.46	62.63	62.88	64.58	64.75	65.00
Dec-04	62.42	62.59	62.84	64.51	64.68	64.93
Jan-05	62.74	62.91	63.16	64.98	65.15	65.40
Feb-05	64.30	64.47	64.72	65.83	66.00	66.25
Mar-05	65.75	65.92	66.17	66.79	66.96	67.21
Apr-05	64.64	64.81	65.06	65.58	65.75	66.00
May-05	63.55	63.72	63.97	63.49	63.66	63.91
Jun-05	63.54	63.82	64.07	63.42	63.70	63.95
Jul-05	63.50	63.78	64.03	63.48	63.76	64.01

Notes: From Aug-04 to Jan-05 a standard hectolitre contained 3.6000 kg of butterfat, 3.2557 kg of protein and 5.6713 kg of other solids.
From Feb-05 to Jul-05 a standard hectolitre contained 3.6000 kg of butterfat, 3.2338 kg of protein and 5.6874 kg of other solids.
Table 11 contains the average component tests for a hectolitre of milk produced in the province of British Columbia.

TABLE 11 - Monthly Milk Composition and Prices from August 2004 to July 2005

MONTH	AVERAGE COMPONENT TESTS			MILK COMPONENT PRICES		
	BUTTERFAT (KG/HL)	PROTEIN (KG/HL)	OTHER SOLIDS (KG/HL)	BUTTERFAT ($/KG)	PROTEIN ($/KG)	OTHER SOLIDS ($/KG)
Aug-04	3.5186	3.1633	5.7327	5.0205	10.7890	1.3554
Sep-04	3.6220	3.2514	5.7217	5.5962	10.8627	1.5023
Oct-04	3.7016	3.3176	5.7123	9.3422	6.2312	1.4940
Nov-04	3.7654	3.3351	5.7159	9.4271	6.1500	1.4994
Dec-04	3.7692	3.3223	5.7285	9.4469	6.1205	1.4962
Jan-05	3.7733	3.3302	5.7483	9.6112	6.0522	1.4881
Feb-05	3.7163	3.2805	5.7594	9.6947	6.4572	1.4971
Mar-05	3.6735	3.2617	5.7743	9.9683	6.5449	1.5288
Apr-05	3.6638	3.2632	5.7757	9.7311	6.5187	1.4991
May-05	3.5898	3.2174	5.7837	9.5158	6.5013	1.4541
Jun-05	3.5806	3.2171	5.8013	9.2253	6.7660	1.4853
Jul-05	3.6016	3.2070	5.7852	9.2197	6.7490	1.4923